



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Tuesday Evening, February 26, 2008

Major Developments

About 1 Million Florida Customers Lose Power February 26

Utilities Expect to Restore Service to Most by This Evening

Equipment failure at a substation during the early afternoon on February 26 triggered a blackout affecting major areas of Florida. According to a representative of Florida Power and Light (FPL), the outage led the company to shut its 1,520 MW, two-unit Turkey Point nuclear power station. A resultant cascading effect halted six other power plants, 15 transmission lines, and cut service to at least 1 million Florida customers. About 800,000 FPL customers, 139,378 Progress Energy customers, and 50,000 Tampa Electric Company customers lost power, according to company and news sources. Outages centered largely in Southeast Florida, in and around Miami. FPL, the hardest-hit utility, expected to restore service to most of its affected customers by 5:30 PM today. Progress Energy also expected a swift recovery. As of 4:15 PM, just over 33,000 of its customers remained in the dark, according to the company's website.

<http://www.cnn.com/2008/US/02/26/florida.power/index.html>

<http://www2.tbo.com/content/2008/feb/26/bay-area-affected-statewide-power-outage/>

<http://www.guardian.co.uk/feedarticle?id=7338509>

<http://www.nbc6.net/news/15415071/detail.html>

<http://www.progress-energy.com/aboutus/news/article.asp?id=18102>

<http://www.cnn.com/2008/US/02/26/florida.power/index.html>

<http://www.progress-energy.com/shared/outages/fla/index.html>

<http://cbs4denver.com/national/FPL.power.electricity.2.663086.html>

<http://cbs4.com/local/FPL.power.electricity.2.663084.html>

http://money.cnn.com/news/newsfeeds/articles/djf500/200802261526DOWJONESDJONLINE000764_FORTUNE5.htm

www.fpl.com

Electricity

Severe Weather Knocks out Power to 139,000 Customers in Georgia and Alabama February 26

As of 8:00 AM EST, Georgia Power reported that a peak of 93,000 customers were without power across the state, with the majority located in the metro Atlanta area. A company representative reported that high winds, lightning and rain caused trees, with roots damaged by the drought, to collapse into power lines. As of 12:00 PM EST, 58,000 Georgia Power customers had been restored, with 35,000 customers remaining without power. Flint Energies reported 4,000 customers in Georgia without power. In Alabama, as of 5:45 AM EST, 42,000 customers are without power in Jefferson and Shelby counties.

<http://www.accessnorthga.com/detail.php?n=207364&c=10>

http://www.11alive.com/news/article_news.aspx?storyid=111906&provider=top

http://blog.al.com/spotnews/2008/02/severe_weather_in_central_alab.html

Repeat Internet Outages at New Jersey Department of Environmental Protection Increases Critical Loss of Emergency Response Capability to Four Nuclear Plants in New Jersey

<http://www.app.com/apps/pbcs.dll/article?AID=/20080224/NEWS/802240370/1070/NEWS02>

Ameren's 604 MW Coal-fired Rush Island Unit 2 in Missouri Shut February 25

An Ameren representative would not comment on the cause of the outage or when the unit might return to service.
Reuters, 17:19 February 26, 2008

AEP's 1,300 MW Mountaineer Coal-fired Unit in West Virginia Shut February 26 – Traders

Reuters, 12:32 February 26, 2008

Petroleum

Flint Hills's 330,000 b/d Rosemount Refinery in Minnesota to Run at Reduced Capacity Pending Completion of New Crude Pipeline

Flint Hills Resources said its Rosemount refinery will not run at full capacity until construction of a 24-inch, 304-mile pipeline is completed by the end of 2008 that will deliver 165,000 b/d of crude oil from Canada. Flint Hills also announced that it plans to replace the coker drums at its Rosemount refinery, which will increase the plant's coker capacity by 4,000 b/d.

Bloomberg, 11:04 February 26, 2008

Bloomberg, 11:42 February 26, 2008

Equipment Restart Causes Flaring at ConocoPhillips's 247,000 b/d Sweeny, Texas Refinery February 25

According to a filing with state regulators, two crude units and two coker units restarted at the refinery, causing flaring. The units stabilized and returned to service successfully after the flaring.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=104186>

OPIs Alert, 09:00 February 26, 2008

Update: Vacuum Unit at Valero's 275,000 b/d Aruba Refinery Still Shut, Expected Return in Two Months

Valero reports that the vacuum unit at its Aruba refinery will remain shut for about two months following the January 25 fire. All major production units are operating with the exception of the vacuum unit, a company representative said.

Reuters, 15:06 February 26, 2008

Update: Crude Oil Output from Shell's Forcados Export Terminal in Southern Nigeria to Double in April 2008 – Force Majeure Remains in Effect

The export volume of Nigerian Forcados crude is expected to more than double in April as compared to the previous month to about 285,000 b/d following a pipeline repair. Shell declared force majeure on exports from Forcados after the pipeline was sabotaged in an attack in January. A force majeure declaration remains in effect for the Forcados terminal because the increase in production does not guarantee all supply obligations to be met.

Reuters, 10:19 February 26, 2008

Update: Frontier Oil Plans Coker Expansion at its 110,000 b/d El Dorado, Kansas Refinery

Frontier Oil expects the coker expansion to be completed in mid-June 2008 and add 3,000 barrels of coking capacity. Frontier also reported that projects to upgrade the gas oil hydrotreater and the FCCU at its El Dorado refinery would be completed in autumn of 2009.

Reuters, 11:20 February 26, 2008

U.S. Strategic Petroleum Reserve to Reach Record High 700.7 Million Barrels of Crude Oil by March 31

A Department of Energy official reports that the U.S. Strategic Petroleum Reserve (SPR) will have 700.7 million barrels of crude oil in storage, the highest level ever in the SPR, by the end of March. The SPR's current fill rate of 70,000 b/d will help enable the Department of Energy to fill the SPR to 1.5 billion barrels as planned by 2029.

<http://www.platts.com/Oil/News/8555323.xml?p=Oil/News&sub=Oil>

Update: Venezuela Offers to Settle Dispute with ExxonMobil by withdrawing from its Stake in Chalmette Refinery in Louisiana

A Venezuelan energy official told local media on February 25 that Venezuela has offered to resolve its dispute with ExxonMobil by withdrawing from its stake in the jointly-owned refinery located in Chalmette, Louisiana.

[http://www.downstreamtoday.com/News/Articles/200802/Venezuela Offered to Withdraw Chalmette 8894.aspx?AspxAutoDetectCookieSupport=1](http://www.downstreamtoday.com/News/Articles/200802/Venezuela%20Offered%20to%20Withdraw%20Chalmette%208894.aspx?AspxAutoDetectCookieSupport=1)

Update: StatoilHydro Resumes Oil, Gas Output at Asgard Field in the North Sea February 26, Kristin Field Expected to Return Later Today

After being cut on February 23, normal production resumed at the Asgard field by midnight February 26, a company representative said. Average production at Asgard is approximately 1.13 trillion cf/d and about 55,350 b/d of condensate. The Kristen field was shut on February 23 and is expected to return late February 26. The Kristen field pumps 333 MMcf/d of gas and about 63,000 b/d of condensate.

Bloomberg, 04:51 February 26, 2008

Natural Gas

Nothing to report

Other News

Nothing to report

Energy Prices

U.S. Oil and Gas Prices			
February 26, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	100.89	98.65	61.41
NATURAL GAS Henry Hub \$/Million Btu	9.15	8.73	7.73

Source: Reuters

Energy Notes

Heavy Wind Knocks Out Power to 15,000 Customers in San Luis Obispo and Santa Barbara Counties, California February 25

<http://www.msnbc.msn.com/id/23343419/>

Damage from 2007 Ice Storm Still Being Repaired by Interstate Power and Light Company in Iowa, 155-miles of Lines Rebuilt

<http://www.whotv.com/Global/story.asp?S=7911235>

Railroad, Coal Companies and Electric Utility Cooperation Lead to Near-Record Highs in Coal Stockpiles for U.S Electric Utilities in November 2007

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=9812322

Wind Energy Workforce Not Keeping Up With New Wind Energy Demand, Wind Power Officials Say

http://seattletimes.nwsources.com/html/business/technology/2004197483_jobswind24.html

Update: Associated Electric Receives Air-Pollution Permit to Build 689 MW Coal-fired Power Plant in Missouri February 22

Bloomberg, 08:58 February 26, 2008

Flaring Reported at Valero's 218,500 b/d Texas City, Texas Refinery February 25

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=104190>

Update: Ships Running Normally Through Houston Ship Channel February 26 Following Closure by Fog February 25

Reuters, 08:32 February 26, 2008

Update: Repairs Completed at CONSOL Energy's 5 Million tons/yr Buchanan Mine in Virginia February 26

<http://phx.corporate-ir.net/phoenix.zhtml?c=66439&p=irol-newsArticle&ID=1112369&highlight=>

High Winds Suspend Shipments at the North Sea Sullon Voe Terminal February 26

Bloomberg, 08:40 February 26, 2008

Minor Outage Resolved at PDVSA's 640,000 b/d Amuay Refinery in Venezuela February 26

Reuters, 10:06 February 26, 2008

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

Please direct comments and questions to: ead@oe.netl.doe.gov